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STATE FUND MONTANA

MONTANA GUARDIAN

"Serving Montana Employers and Employees"

FEBRUARY 1991 Volume 01 Number 05

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POLICYHOLDER NEWSLETTER SOON TO BE AVAILABLE

The State Fund will write and produce a newsletter which will be distributed to all policyholders. This publication has been authorized by the Board of Directors and strongly supported by State Fund management.

The purpose of this newsletter is to provide factual and current information concerning the goals, functions and operations of the State Fund to our policyholders. Employees of the State Fund will also get a copy of the newsletter.

A policy committee, editors and a staff of writers have been selected to accomplish the actual preparation. A Policy and Procedures Manual has been prepared and accepted by the Policy Committee. This manual, along with other information and assignments for articles, was presented to the newsletter staff at a meeting on January 14th.

All in all, we feel very positive about this project. Every effort will be put forth to create a quality product which will present the State Fund in a factual and favorable manner. Any suggestions you may have will be greatly appreciated. Please contact Harold Gilbertson.

BACKLOG ELIMINATED!!

On December 1, 1990, the Accident Cataloging Unit had totally eliminated the backlog which has plagued them since before they became part of State Fund. This endeavor was accomplished by teamwork, cooperation and an extra effort by the entire staff. ***THANK YOU FOR A JOB WELL DONE!***

Accident Cataloging handles a large volume of mail. An average of 1,350 pieces of mail are delivered to the unit every day, usually by noon. About 270 are "Employer's First Reports" or "Claims for Compensation" set up as new accidents and are processed and delivered to Policy Services by the next day. The balance of about 1,080 pieces of mail daily are other reports, medical bills and correspondence which do not have claim numbers on them. An automated search process is used to determine if the correspondence is for a specific claim. If found, the claim number is written on the mail and forwarded to the appropriate section. About 30 to 40 pieces daily are not related to any existing accident claim and are set up as an "incident" with an "09" number and are placed in a hold file pending further information.

With the volume of mail received and processed daily, it is truly a job well done. Thanks from all of us to Accident Cataloging!

RUN FOR THE LARD

The seventh annual **RUN FOR THE LARD** contest is underway. This year there are separate men's and women's divisions. The objective is to see who can lose the highest percentage of body weight between January 14th and February 22nd. An official weigh out will be held on February 22nd between 8 am and 11 am. Contestants are well known for attempting to sabotage fellow entrants with candies, doughnuts and sweets.

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Message from the President . . . .

Patrick J. Sweeney

STATE FUND'S FIRST YEAR

Our first year of operation has shown many positive results of which we can be proud. Some of these accomplishments are: an increase in the number of claims examiners, the addition of several new professional people in Underwriting and Administration & Finance departments, increased emphasis on medical cost containment and greater capabilities of our computer system.

The addition of eleven claims examiners were authorized during this period of time. This decreased the claimsload per examiner from 453 on December 31, 1989, to 322 as of August 31, 1990. These actions allow for more aggressive case management and considerably better service to our claimants.

A Rehabilitation Coordinator has also been hired in the Benefits Department. This position is designed to monitor all cases which have been referred for rehabilitation, assuring increased quality of rehabilitation services to the client while maintaining our control of costs.

A number of cost containment procedures have been developed and implemented. These include the use of generic drugs and an alternate method of providing TENS units when needed. TENS units are pain reduction devices. These and other cost containment measures are beginning to show some real promise in the reduction of medical costs associated with claims.

Additional staff in Policy Services and Auditing allows us to provide more effective and timely services in these areas. Along with these added services, the State Fund has, or is in the process of adding, a variety of new underwriting products which will allow us to be far more competitive in the workers' compensation insurance arena. These include the development, and in some cases implementation of, "tiered pricing" and "retrospective rating."

New Loss Prevention Consultants have also been added. This gives us the ability to provide more and better services to our policyholders in the area of safety and loss control.

New computer programming and technology, new accounting procedures, reorganization and relocation are all providing more timely and effective services to both employers and injured workers. Continued efforts in these and other areas will allow us to further improve our effectiveness and efficiency.

All of these are positive accomplishments. Thanks and congratulations to all. Of course, we still have room for more improvement. We need to exert an all-out effort to extend our assistance and courtesy to all employers and claimants. And above all, to try to promote a positive image of the State Fund to all those whom we serve.

NEXT NEWSLETTER DEADLINE

Our next employee newsletter will be available on April 1st. Due to holidays and vacations, the deadline for articles is March15th. Articles are to be given to Harold Gilbertson.

STATE FUND MONTANA

MONTANA GUARDIAN

The State Fund "Montana Guardian" is an official employee newsletter published by the State Compensation Mutual Insurance Fund for the purpose to educate and keep State Fund employees informed on the workers' compensation industry, especially the new State Fund.

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Letters to the Editor of the Montana Guardian will be accepted from current State Fund employees. Letters to the Editor are to be submitted to Harold Gilbertson by the article deadline date and must include the employee's name, section and department name, and office phone number. Letters without the author's name, section and department name and office phone number will not be published. Letters deemed inappropriate to the goals and objectives of the Montana Guardian or State Fund will be returned to the author with an explanation why it was rejected. Due to space constraints, some letters may appear in a later issue. Letters to the Editor do NOT reflect the policy or official positions of either the Board of Directors or the management of State Fund.

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REHAB NEW FOCUS

Effective January 1st, rehabilitation services are being provided to claimants based upon a contractual agreement between private vendors and the State Fund. Claims examiners determine the type of rehabilitation service appropriate and request those services by status. Throughout January, training was provided for claims examiners and rehab providers on the revised guidelines for rehabilitation services.

These revised rehabilitation services requirements are designed to address three major issues.

1) They are proactive and aggressive in return-to-work efforts for disabled workers,

2) they are designed to fully correspond with the intent and letter of the law, and

3) they give claims examiner more direct control to determine the type of service appropriate for claim resolution. Rehabilitation services are based upon a "status" system of four levels.

Status' 1 and 2 are designed to actually provide placement assistance for the disabled worker. Status 1 stresses any return to work opportunities with the employer at time of injury. This status includes an option "A" (return to the same position) and an option "B" (return to a modified position). Also incorporated into this status is early return to work efforts to establish transitional employment for the claimant while healing.

Status 2 has an option "C" which aggressively addresses return to work in various occupations suited to the claimant's education and marketable skills. Direct placement activities and assistance are provided for the claimant in order to return to work in the open labor market.

Status 3 provides a complete employability assessment to document employability and establish a vocational rehabilitation plan based on a priority hierarchy. These plans must be submitted to the Rehab Panel.

Status 4 is designed to address catastrophic or severe injuries which may require special or extraordinary services. This status can also be used to provide any additional or continued services which may be necessary for any claimant.

Along with the initiation of the status system is the creation of a means of tracking the rehabilitation services provided. Plans are underway to use the State Fund's computer system to collect information for analysis of services based on turn-around time, outcome and costs. Hopefully, reports generated by this system can be used in program planning and assessment as well as a means of evaluating the quality of service provided by various vendors and by individual counselors within each company.

These actions are part of a continuous effort to provide an optimum level of services at the lowest possible cost. Any questions or comments should be addressed to Archie Lake or Lou Thompson.

PERSONNEL ACTIONS

FROM NOVEMBER 10, 1990
TO JANUARY 11, 1991

NEW

Administration & Finance Department

Traci Carruthers	Data Entry Operator III
Daisy Carsen	Data Entry Operator III
Patti Lesofski	Data Entry Operator III

Benefits Department

Lou Thompson	Rehab Coordinator
Karen Parker	Claims Examiner I
Susan Jansen	Claims Examiner I
Lucinda Dixon	Claims Examiner I
Lance Zanto	Claims Examiner I
Kevin Bartsch	Claims Examiner I
Steve Henebry	Claims Examiner I
Shauna Foley	Word Processing Operator II
David Walker	Admin Clerk I
Chuck Crawford	File Clerk II
Lisa Marquis	File Clerk II

PROMOTIONS

Kathy Oliver	Claims Examiner I
Gary Tuffli	Word Processing Operator II
Scott Harrington	Program Assistant III
Sharon Calder	Program Assistant I
Theresa Boster	Program Assistant I

LEFT

Jim Ball
Donna Lyle
Shona Ellison

NAME CHANGES

Fran Low is now Fran Hartmann

"What this world really needs is a computer that can figure out all the things in life that don't add up."

Author Unknown

FISCAL NOTES

The last newsletter described the process of how a bill becomes law. After reading that article, the first question you might ask yourself, "How do they know how much a bill will cost or save the taxpayer?" The answer is through a fiscal note.

Simply put, a fiscal note determines the impact of proposed legislation on state, county, or municipal revenues or expenditures and is required on all bills reported out of committee impacting the revenues, expenditures, or fiscal liability of the above-mentioned entities. Appropriation measures carrying specific dollar amounts do not require a fiscal note.

The presiding officer of the house where the bill is introduced will determine the need for a fiscal note at the time of introduction. If a fiscal note is necessary, the presiding officer will make a request to the director of the Office of Budget and Program Planning (OBPP). A fiscal note must be prepared and submitted to the presiding officer who requested it within 6 days from the date of the original request.

The budget director, upon receiving a fiscal note request, determines the agency/agencies impacted by the legislative proposal and assigns responsibility for preparation of the fiscal note to the appropriate agency personnel. The agency/agencies have three days, including the day of the assignment, to prepare a fiscal note on the proposed legislation and return it to OBPP.

After review by OBPP, the fiscal note is submitted to the presiding officer who requested it. The presiding officer then notifies the sponsor of the bill that the fiscal note has been completed and is available for review.

The sponsor then has three options. Within twenty-four hours of notification, the sponsor must either: (1) notify the presiding officer that he/she concurs with the fiscal note; (2) request an additional 24 hours to consult with the budget director during which a revised fiscal note can be submitted if there was a miscalculation in the preparation of the original note; or (3) elect to prepare a sponsor's fiscal note. If this occurs, the sponsor has four days to prepare a fiscal note and submit it to the presiding officer. If necessary, the presiding officer may grant additional time for preparation of the sponsor's fiscal note. After receiving the completed fiscal note, whether it is the original, the revised, or the sponsor's fiscal note, the presiding officer refers it to the committee hearing the bill. If the bill is printed, the fiscal note is copied and placed on each member's desk. If it is a sponsor's fiscal note, the fiscal note must state that fact.

All fiscal notes must be factual in nature and should cite the statutes affected, estimated impacts on revenues or expenditures in each of the next two fiscal years by funding source, effects on county or other local government revenues and expenditures, and, so far as possible, the long-range financial implications. The long-range impacts should try to estimate the financial impact of the proposed legislation for five fiscal years after the effective date of the proposed measure. Comments or opinions relative to the merits of the bill are strictly prohibited; however, technical or mechanical defects may be noted.

Fiscal notes play a major role in the legislative process and extreme care must be taken to ensure both their accuracy and their objectivity.

TONS MOVED

The fall of 1990 brought some new and exciting changes to the Underwriting Department. One of the biggest changes was in relocation of Policy Services Division from the basement to the third floor.

Each employee of Policy Services had an opportunity to test the health of their back through the strenuous task of moving over 22 tons of files to their new quarters.

A special thanks to Fred Lubke, Maintenance Supervisor, for his patience and understanding during the move.

The Department cordially invites you to come and tour the new surroundings and enjoy the view from the top floor.

DATABASE DITTIES

Not long ago, I was asked how to find the amount of money the State Fund had spent in rehabilitating a claimant. The answer was as simple as signing onto the State Fund database. All the medical payment information on every claimant is right there for our use whenever we need it.

To find out how much has been spent on a claimant, press PF11 (Claims Inquiry) at the Main Menu. When you find yourself at the Claims Inquiry Menu, push PF9 (Medical Summary Inquiry). This is summary information from the claimant's medical history. But the big news is page 2, reached by pressing ENTER! Now you can see the breakdown of medical expenses by payee type as well as the total medical paid to date.

In the case above, we looked at Physical Rehab (Payee type 03) and Vocational Rehab (Payee type 07). For each payee type was listed the total amount of money (minus subrogation and so on) the State Fund has spent providing medical services to the claimant. We had a thrilling time, and you can too. Remember, Medical Summary information, another Database Ditty.